

Non-Substantial Change Summary Memorandum

To: James Sinclair, Project Executive Sponsor; Project File
From: John R. Stamatov, Project Manager
Date: July 9, 2015

RE: Phase 1 of the Addison Rutland Natural Gas Project
Non-Substantial Change Summary
Docket No. 7970

The purpose of this memorandum is to summarize an additional non-substantial change (“Project Change”) to the design of Phase 1 of the Addison Rutland Natural Gas Project (the “Project”) related to the proposed relocation of mainline valve 1 (“MLV-1”). Based on the Project team’s review, we believe this is the only remaining potential non-substantial change associated with the first eleven miles of the Project slated for construction in 2015.¹ This memorandum, combined with the memoranda prepared by Mr. Nelson and Mr. Buscher, addressing natural resource and aesthetic considerations respectively, support our conclusion that the Project Change will not raise a substantial issue with respect to any of the applicable Section 248 criteria, and should be considered a non-substantial change to the Project. This change has also been reviewed with ANR and DPS personnel, who to-date have raised no concerns regarding the revised MLV-1 location.

As an initial matter, the Project budget of approximately \$154 million, as filed with the Board on December 19, 2014, does not need to be modified for this Project Change. This change simply involves the relocation of MLV-1 to a different location on the same land parcel. As originally designed, MLV-1 was in close proximity to both Redmond Road and overhead GMP electric distribution lines. While there are no code restrictions preventing MLV-1 from being constructed where it was initially located, Vermont Gas has identified an alternate location for MLV-1 that we believe is better, as the valve would not be proximate to the electric lines and would be further from the road. By doing so, we remove a potential risk factor during construction as well as the on-going operation and maintenance of both the natural gas and electric systems. As noted above, MLV-1 is slated for construction during the 2015 construction season.

MLV-1 is located on land owned by Chittenden Solid Waste District (“CSWD”) at Redmond Road in Williston, Vermont on the segment of the Project between the Colchester tie-in and the Williston Gate Station. Vermont Gas has reviewed the Project Change with CSWD and has entered into a revised agreement with them reflecting this new location.

¹ As would be expected with a linear project, Vermont Gas Systems, Inc. (“VGS” or “Vermont Gas”) anticipates that there will be additional non-substantial changes associated with the remaining approximately 30 miles slated for construction in 2016 or late 2015 construction schedule and conditions permitting. Any additional non-substantial changes will be filed with the Public Service Board (the “Board”) as appropriate.

The attached orthographic map shows both the prior and now-proposed locations for MLV-1. See Attachment A. MLV-1 is being relocated approximately 1,000 feet to the east, north east of the location initially approved in the CPG. The now proposed MLV-1 location is located within an area generally containing existing commercial/industrial activities. No additional tree clearing or earth disturbance outside the previously permitted corridor will be required, and access to the MLV-1 site will be from Redmond Road, along the Project corridor, with no additional access roads required. Attachment B provides the revised Sheet EPSC-015 of the EPSC Plan reflecting the proposed MLV-1 location.

Conclusion

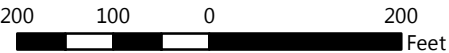
Vermont Gas is proposing this Project Change to improve upon Project construction and operation. VGS has reviewed the environmental and aesthetic assessments of the Project Change, along with the other 248 criteria, and has concluded that it does not raise a substantial issue with respect to any of the applicable Section 248 criteria. The proposed Project Change is non-substantial and provides improvements to the Project without raising substantial issues with respect to any of the applicable Section 248 criteria.

ATTACHMENT A

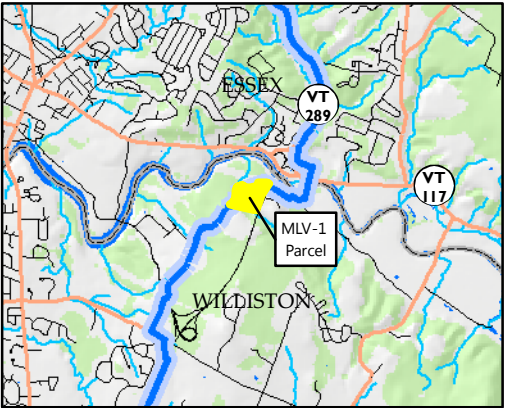


**Vermont Gas - ANGP Phase I
Chittenden and Addison
Counties, VT
MLV-1 Location Comparison Map**

July 9, 2015



- Legend**
- MLV-1
 - VGS Transmission Mainline
 - Parcel Boundary
 - Stream (VHD)
 - Waterbody (VHD)
 - Railroad (VTrans)
 - Roads (VTrans)
 - 10' Contour
 - 50' Contour



Sources: Background imagery by VCGI (2013); Statewide datasets from VCGI (2010) include: Roads by VTrans (2012), Town and County Boundaries by VCGI (2008), Streams and Waterbodies by VHD (2008), Railroads by VTrans (2003), Parcel Boundaries provided by CHA (2015); Proposed Transmission Network by CHA (2012-2015; Contours generated by VHB from HydroDEM by VCGI (2008)).

ATTACHMENT B

RIGHT-OF-WAY		MATCHLINE		19 N/F BABCOCK, JAMES		20 N/F NEW ENGLAND CENTRAL RAILROAD		21 N/F CHITTENDEN SOLID WASTE DISTRICT		22 N/F STATE OF VERMONT; AGENCY OF TRANSPORTATION		23 N/F CHITTENDEN SOLID WASTE DISTRICT		MATCHLINE	
SURVEY DATA		81°05' LT 372+41		80°47' RT 374+04		06°56' LT 381+57		45°42' LT 386+73		S 71° 31' W					
ALIGNMENT DETAIL															
EROSION PREVENTION & SEDIMENT CONTROL		<p>LEGEND</p> <p>PERMANENT EASEMENT TEMPORARY WORKSPACE CENTERLINE OF STREAM TEMPORARY STREAM CROSSING WETLAND 50' WETLAND BUFFER TEMPORARY WETLAND MATTING WETLAND BUFFER WITHIN PROJECT AREA REINFORCED CONSTRUCTION DEMARCATION AND REINFORCED PERIMETER CONTROL</p> <p>INSTALL CONSTRUCTION DEMARCATION: STA. 370+00 TO 371+88 RT - 25' FROM NEW 12" PIPE STA. 370+00 TO 372+20 LT - 25' FROM NEW 12" PIPE</p> <p>INSTALL REINFORCED PERIMETER CONTROL: STA. 370+00 TO 371+88 RT - 25' FROM NEW 12" PIPE STA. 370+00 TO 372+20 LT - 25' FROM NEW 12" PIPE</p> <p>INSTALL MATTING: STA. 370+44 TO 371+32</p> <p>1. REINFORCED CONSTRUCTION DEMARCATION AND REINFORCED PERIMETER CONTROLS ARE ONLY SHOWN WITHIN 50 FT. OF WATER RESOURCE AREAS AND AT CONSTRUCTION ENTRANCES - SEE "CONSTRUCTION EPSC NOTES" - NOTE #6. CONSTRUCTION DEMARCATION AND PERIMETER CONTROLS ARE NOT TO CROSS ACCESS WAYS OR ACTIVE FLOW PATHS. FOR AREAS THAT ARE > 50 FT. FROM WATER RESOURCE AREAS, CONSTRUCTION DEMARCATION IS TO BE INSTALLED ALONG PERIMETER OF PROJECT AREA / LIMITS OF DISTURBANCE AND PERIMETER CONTROLS ARE TO BE INSTALLED ON THE DOWNSLOPE SIDE OF AREAS OF DISTURBANCE WHERE THERE IS POTENTIAL FOR SOIL EROSION AND/OR SEDIMENT RUNOFF - SEE NOTE #6. 2. FOR AREAS DESIGNATED AS PRIME AGRICULTURAL SOILS (PAS), SEE "CONSTRUCTION WITHIN PRIME AGRICULTURAL SOILS (PAS) AREAS" (ANGP-T-G-011), FOR SOIL SEGREGATION AND ASSOCIATED CONSTRUCTION PROCEDURES.</p> <p>INSTALL CONSTRUCTION DEMARCATION: STA. 371+88 TO 372+74 RT - WIDTH VARIES FROM NEW 12" PIPE STA. 373+64 TO 380+47 LT - 50' FROM NEW 12" PIPE</p> <p>INSTALL REINFORCED PERIMETER CONTROL: STA. 371+88 TO 372+41 RT - WIDTH VARIES FROM NEW 12" PIPE STA. 373+76 TO 374+70 RT - 25' FROM NEW 12" PIPE STA. 373+64 TO 374+04 LT - 50' FROM NEW 12" PIPE</p> <p>INSTALL CONSTRUCTION DEMARCATION: STA. 373+76 TO 386+73 RT - 25' FROM NEW 12" PIPE STA. 380+47 TO 385+40 LT - 25' FROM NEW 12" PIPE</p> <p>INSTALL REINFORCED PERIMETER CONTROL: STA. 379+80 TO 386+43 RT - 25' FROM NEW 12" PIPE STA. 380+22 TO 380+47 LT - 50' FROM NEW 12" PIPE STA. 380+47 TO 385+40 LT - 25' FROM NEW 12" PIPE</p> <p>INSTALL MATTING: STA. 380+80 TO 382+09</p> <p>INSTALL MATTING: STA. 382+48 TO 384+04</p> <p>INSTALL MATTING: STA. 384+67 TO 385+20</p> <p>INSTALL CONSTRUCTION DEMARCATION: STA. 386+73 TO 396+50 RT - 50' FROM NEW 12" PIPE STA. 396+50 TO 397+50 RT - 25' FROM NEW 12" PIPE STA. 385+40 TO 386+98 LT - 50' FROM NEW 12" PIPE</p> <p>INSTALL CONSTRUCTION DEMARCATION: STA. 386+98 TO 397+50 LT - 25' FROM NEW 12" PIPE</p> <p>INSTALL STABILIZED CONSTRUCTION ENTRANCE: STA. 396+07</p> <p>INSTALL MATTING: STA. 396+94 TO 397+50</p> <p>INSTALL REINFORCED PERIMETER CONTROL: STA. 396+14 TO 396+16 RT - WIDTH VARIES FROM NEW 12" PIPE STA. 396+16 TO 396+50 RT - 50' FROM NEW 12" PIPE STA. 396+50 TO 397+50 RT - 25' FROM NEW 12" PIPE STA. 396+04 TO 397+50 LT - 25' FROM NEW 12" PIPE</p> <p>HORIZONTAL SCALE 100 50 0 100 200 300 feet</p> <p>VERTICAL SCALE 100 50 0 100 200 300 feet</p>													
CONST. TYPE		(W) (2A) (10) (1A) (W) (2A) (W) (W) (1A) (1E) (7) (W)													
SOIL TYPE		Au AgD													
LC/LU		AGRICULTURAL FIELD RAILROAD FORESTED ROAD FORESTED ROAD FORESTED													
STREAMS		NOT CLASSIFIED TRAVEL INDUSTRIAL TRAVEL INDUSTRIAL													
WETLANDS		WETLAND 2012-CM-195 - STATION 370+00 TO 371+82 CLASS II WETLAND 2012-CM-59 - STATION 380+30 TO 385+93 CLASS II WETLAND 2012-CM-134 - STATION 396+44 TO 397+50 CLASS II													
VERNAL POOLS		VERNAL POOL BUFFER 2012-CM-PV2 STATION 370+00 TO 378+37													
SIGNIFICANT NATURAL COMMUNITIES															
RTE SPECIES															
NRC WILDLIFE HABITAT															
ARCHAEOLOGY SITES															
ANGP-T-C-015A		RAILROAD CROSSING DETAIL													
ANGP-T-C-015		ALIGNMENT SHEET													
DWG. NO.		REFERENCE DWG.													
		1 BCK TDB													
		REV DSN CK													
		MLV 1 RELOC., PROP. LN. ADJ., CONST. TYPE CHNG. (6/09/15)													
		DESCRIPTION													
		ENVIRONMENTAL													
		DRAFTING DESIGNER													
		DRAFTING SUPERVISOR													
		DESIGN ENGINEER													
		DESIGN MANAGER													
		INITIALS DATE INITIALS DATE													
		BID CONSTRUCTION													
		JLS 06/28/13 JLS 04/02/15													
		GIL 06/28/13 GIL 04/02/15													
		BZD 06/28/13 BCK 04/02/15													
		MDF 06/28/13 TDB 04/02/15													
		SAB 06/28/13 JE0 04/02/15													
		VERMONT GAS PROPOSED 12" PIPELINE ADDISON NATURAL GAS PROJECT EPSC PLAN													
		LOC. CHITTENDEN COUNTY, VERMONT													
		YEAR: 2015 W.O. SCALE: 1" = 100' DWG. ANGP-EPSC-015 REV. 1													